

## COMMITTEE ON COMMUNITY IMPROVEMENT

**August 13, 2002**

**5:30 PM**

Chairman O'Neil called the meeting to order.

The Clerk called the roll.

Present: Aldermen O'Neil, Wihby, Smith, Lopez  
Aldermen Gatsas and DeVries

Absent: Alderman Shea

Messrs.: Sandy Ruggles, Ray Hewitt, Ron Ludwig, Tim Clougherty,  
Kevin Clougherty, Robert MacKenzie, Jay Taylor, Deputy Solicitor  
Arnold, Randy Sherman, and Mike Lanoie

Chairman O'Neil addressed item 3 of the agenda:

3. Presentation by Mr. Sandy Ruggles of Northeast Turf, Hue Inc. regarding the use of FieldTurf and how it can solve the City's field needs, both for recreational and athletic use.

Mr. Ruggles stated it's a pleasure to return to the City of Manchester where I got my start as a coach. I'm here tonight talking about a product called FieldTurf and how I think FieldTurf could in turn help the City as it has helped other cities through New England...Nashua's had great success at their facility, Fitzpatrick Stadium in Portland with a multi-use high school facility and just recently last week we finished a field in Bangor at Husson College which is a multiple baseball/football facility similar to Gill Stadium here in the City. I have some materials that I will pass out and I have also brought out a walking sample of FieldTurf that I would certainly encourage people, if they wanted to get up and to feel the product and we have a tray that you can also pass around and get a feel for the product. For those that don't know, FieldTurf, I think, is one of the greatest things to happen to athletics in recent years, it is great for the athlete, it is great for the city and the municipality because you now have a facility that can be used and it can be used 24 hours-a-day, 7 days-a-week. In the packet you will see that we'll refer to...it looks like grass, feels like grass and it's safer than grass and again as a football coach at U-Mass Lowell I was the coach when we installed FieldTurf and I have become a disciple of the product. One of the highlights last year for me,

I'm still a high school coach in Massachusetts was at Boston University there were seven games in a two-day period at Boston University on FieldTurf. At this time, I will turn it over to Ray Hewitt who will give you some information further and you've got some information in your packets that we will certainly answer any questions that you may have, Ray.

Mr. Hewitt stated I passed around a packet that is a condensed version of the 120 slide presentation that we had but we kind of culled it down to the important things – product specs and benefits and a number of pictures of the products from various installations that we have. I represent Northeast Turf Hue, Inc. out of South Portland, Maine. We are the exclusive distributor of FieldTurf in New England and we installed a number of fields that you may be familiar with besides the Nashua field that we installed. The Boston University Nickerson field, which is the only field to date in the country that has received the FIFA recommendation for World Cup Soccer Play. Yesterday we received some endorsements from four NFL quarterbacks and if you refer to your packet that I handed out to you, on Page 3 we have statements from Randall Cunningham, Warren Moon, Boomer Esiason and Troy Aikman referencing FieldTurf. The bulk of the time that I have I would like to present some of the product benefits and then take as many questions as we can and provide as much information to you as possible. In the packet I want to point out three important documents. One is a list of our installations – when they are installed and the parties that you can contact to get further information about the installation, cost, usage and maintenance. Another document is a list of the FieldTurf installations for U.S. Professional Sports and I call attention to the fact that there are 10 NFL teams currently using the product. Two of those products are being used in the stadiums. The rest of the teams are using them in their practice facilities, including the New England Patriots. We installed a small field for the NFL experience for little kids as you enter the stadium. We are doing that this week as we speak. The third document is a booklet called Filled Artificial Turf. Everything you wanted to know about this new generation of artificial grass is in this booklet. It is an independent study by a landscape architect in Portland, Oregon. It goes into the cost benefits of this artificial product versus grass. It goes through all of the costs associated with maintaining either soil fields versus the sand fields or all rubber fields and even AstroTurf fields. I think the most important part of it is in the back section. There is a very good piece on the actual usability of the product and a cost analysis of cost per use, which I think is a very good way to look at the investment that you put into a product like this. It includes using it with lights, without lights and consideration for any revenue you have from local groups like men's soccer teams and women's soccer teams, etc. Why FieldTurf? FieldTurf is considered in the marketplace the premiere product. It is not the lowest price product. Part of the reason it is the premiere product is the fact that there are so many patents on it and it is right now the product of choice with sand and rubber. The uniqueness of the product is the 2 ½" length

fibers versus the competition, which uses shorter fibers. Why is that significant? It is important because with a 2 ½" fiber height it allows us to provide more fill between the fibers, which is the sand and rubber. If you look at your sample, that provides the actual artificial soil under that grass and without that length of fiber you could not put as much fill and you would not have as much consistency of soil and protection from a safety point of view – the cushioning. The other key things about FieldTurf is within the sand and rubber ingredients, the rubber is a very unique cryo rubber. That means that it is a cryogenic frozen product – these are car tires - that is cracked and then crumbled. The important thing is that all of the air is taken out of the rubber and the granules are smaller than the typical crumb rubber that is on the marketplace. Why is that important? It is important because it gives a consistency and feel like real soil. Also, without the air in the rubber, the rubber has a tendency not to float when you have extreme rain and migrate into puddles of black rubber and float up in areas and leave too little rubber and cause a safety problem. The sand is also unique. It is a fine silica sand that has very stringent sieve requirements. That is the sizes of it and the consistency of the granules so that they mesh properly with the rubber and form a consistent feel as you run on it like soil. I would like to point out the relationship with the FIFA recommendation. FIFA has the most stringent and probably only recommendations and standards for measuring and analyzing artificial turf, any artificial turf for that matter whether it is the new product that we have versus the traditional carpet Astroturf type products. Their standards were designed to test artificial surfaces and see how they compared to the best-conditioned grass surfaces. They test the player interface with the field. In other words the contact with the field, the cleats grabbing in the field and twisting. They test the ball interface with the field. How it bounces and how it bounces on angle and how it rolls. Then they test the general wearability of the product in terms of color fastness, fading, wearability, burn tests, flammability and all those kinds of tests. FieldTurf has passed every one of FIFA's standards and requirements and that is why today we are the only one in the United States with their recommendation. I think my assessment of looking at the fields that we saw today and probably this Committee's interest is probably how do you get the best return for whatever investment you are going to make in these fields with whatever product you put down. I think the first thing to look at is the actual usability of the product and what teams can play on it, how much the product can be played on and its wearability and its warranty. FieldTurf is warranted for eight years. In addition, to the standard warranty, we are the only one that we know of to date that also carries an independent insurance policy on the warranty so that if Northeast Turf or FieldTurf for any reason were not to be here there is an insurance policy on the warranty. Currently it is an eight year one. We believe from our indoor testing of smaller fields and the play that they are getting per square foot and the foot traffic that our fields will be able to last 10-12 years. So FieldTurf is reassessing it's warranty but today it is still 8 years. In terms of hours of usage, I think the Nashua

facility that is now being used by two high schools is a very good example. Also, the Portland High School Fitzpatrick Park next to us in South Portland is also a good example. That field now is being used around the clock all summer long from 8AM until 8PM. It does have lights. They do get additional revenue through the Parks & Recreation Department for other groups and they are extremely happy and satisfied with the product. As well, you may be aware that they had the Maine State football championship on it. We have another field in Northport, ME at an MB&A facility that had the Maine soccer championship on it. I think that Nashua may have had a championship as well on our product. The field at Boston University, Nickerson Field, had the Massachusetts high school state championship on it. So, I think the FieldTurf product is being recognized as the premiere product for the high visibility championship type series. As I said, I am going to try to allot as much time as possible for questions so if you have some I would be glad to answer any that I can.

Alderman Lopez stated you are familiar, I presume with the West Memorial Field.

Mr. Hewitt replied yes I was there today.

Alderman Lopez asked did you bid on that project.

Mr. Hewitt answered I must admit that I was not with the company.

Mr. Ruggles replied yes they bid on the project.

Alderman Lopez asked have you conferred with our Parks Superintendent in reference to this.

Mr. Ruggles stated I talked with Ron Ludwig last year and did an overview on the project and gave him my opinion on how I thought FieldTurf could help. I have not touched base...I did make an effort to talk with Ron the other day but I wasn't able to get through to him last week.

Alderman Lopez asked are you indicating that you had the same product that we have on West Memorial Field.

Mr. Hewitt answered no.

Alderman Lopez asked what is the difference.

Mr. Hewitt answered I think the best analogy would be that FieldTurf is like a seven layer chocolate cake and the product that you have is like chocolate pudding. It is a uniform all rubber field. I am not denigrating the product because

it is much better than a grass field. It looks very good. I saw some problems with some of the pieces of installation but in general that is a very good field and will give you great utility and service for its use but the best product is FieldTurf for the reasons I mentioned earlier because of its consistency and the fact that it plays and feels like real grass and real soil. One of the safety issues is we are getting a number of reports from some of the higher visibility fields that are all rubber, whether it is a product like yours that you have there or the other rubber fields is that the consistency is so soft and so bouncy that they are now having ankle problems and soreness after games. We have seen that after one of the Northeastern games recently.

Alderman Lopez asked are there some statistics in that area.

Mr. Hewitt answered unfortunately there aren't a lot of statistics on the safety of any of the artificial fields. There is a Dr. Barnhill who has just published a report that I saw come through today that is a new report that he publishes each year on artificial turf. I haven't even read it yet. I will be glad to make it available to the Committee or anyone here. It does...I have seen the past ones and it does favor FieldTurf over any of the other products.

Alderman Lopez stated I am just wondering...I don't know what direction we as a Committee want to take but surely we are not experts in this business. We have professional people in Parks & Recreation and I think they should do an analysis of this product and what we have at West Memorial Field so we can decide what direction we are going to go in here. I need some guidance before I decide what to do.

Mr. Hewitt replied one comment I have is that as I showed you with the exhibit with the NFL teams, there are 10 NFL teams that have chosen FieldTurf. There is only one other competitive artificial infield product similar to a FieldTurf type product that is being used in the NFL and that is in Philadelphia. That is not even the same product that you have at West.

Alderman Lopez stated I understand that very fully. I am just looking here and saying to me what you just showed me and what I know of West Memorial Field, I don't know the difference. They are playing on it. I think somebody has to analyze this. It is not for me to analyze it. It is for somebody to come up and say okay your product is superior over what we have or our product is superior or both products are good so it doesn't make a difference but then there is a bidding process to so I am a little confused that's all.

Mr. Ruggles stated my point of making the presentation was strictly for an awareness to give you some choices down the road as you create your vision of

the City and athletic fields. I just wanted to educate you. I know George and I spoke with George and I met with George just to give him some awareness on the fields. That is I guess what triggered this presentation. I just used some of the people I knew in the City as a way of educating the people in the City on FieldTurf.

Alderman Lopez stated I spent 18 years on the Parks & Recreation Commission so I am very familiar with a lot of this but again I am not the expert to say A is good over B or B is better than A. I need people to lay the whole thing out so that I can make a decision. I wish all of our fields were like West but money is a factor.

Mr. Ruggles replied there is no doubt and this City as well as every other City has a problem. You can't keep grass on fields.

Alderman Smith stated I would like to go down to the product benefits. I understand there is an eight-year guarantee and maybe it is 10 or 12 years that it lasts. How long would it take...how many weeks would it take to prepare and pre it for your base and then your final installation. Would it take several months?

Mr. Hewitt replied not at all. We have done complete installations, which as you say would include the base excavation of the field as well as adding a drainage system if necessary and there are many kinds you can put in depending on the soil, as well as installing the FieldTurf grass and infill on top of it. To do the entire process it would take about four weeks for the excavation and preparation of the base and anywhere from, depending on your field...if it was your football field it would probably take two weeks or 10 working days and if it was the baseball field, depending on the design and whether or not you had a complete dirt infield cut out or just the bases cut out as they are doing at Husson College in Bangor, ME, that may take about three or three and a half weeks to put in the baseball field. So, the worst case would probably be within two months from start to finish.

Alderman Smith asked does this product freeze like if we had football in October or November.

Mr. Hewitt answered no. First of all, it drains at 30 gallons an hour so it doesn't retain the moisture. Also, the rubber because it doesn't have any air will not hold it like a sponge. The grass blades will not freeze, will not become brittle, will not crack. You can even hit a golf wedge as hard as you want and dig into it and you will not break those. It doesn't freeze. It can be plowed with a rubber tip blade. We even have a video that shows you how the Nebraska Corn Huskers, who have seven of our fields, plow their stadium field in the winter.

Alderman Smith stated as you well know I am very interested in Gill Stadium use it as a multi-purpose field for baseball and football and when it comes time for football season the conditions are atrocious and anybody can attest to that with the dirt infield and so forth. If we put in just a cut out like say at first, second and third base and everything else was the FieldTurf, what would be the approximate cost. You are talking maybe 120 yards by maybe 75 yards.

Mr. Hewitt replied well I took a look at the field and I tried to compare it to the Husson College Field, which we are just finishing up this week. That field is made to specifications for minor league baseball. They are trying to attract a team there and I think they are going to have one very soon. Their left field lines are 330' with 375' in the alleys and 410' at center field. That is about a 135,000 square foot field area. If you then put in the 15' warning track, which we advised them to do and they did, you can reduce it by another 17,000 square feet. With the cutouts, that field is about 121,000 square feet. My estimate on the field that we saw today is it is probably someplace between 115,000 and 117,000 square feet. The approximate cost of installing the base construction, the drainage system and putting the FieldTurf Pro Series, which is the premiere product that is at Nashua, is anywhere from \$7 to a high of \$7.50 per square foot. Depending on the drainage characteristics of the soil and what is required in the base, we could be at the low side of \$7 or even lower depending on what kind of drainage materials we could use. At Husson we actually saved them \$125,000 because we didn't have to go to a high end piping system and we were able to use an alternative drainage system so there are ways to save money and still get the quality. The base construction is very important. You don't want to skip on it.

Alderman Smith stated one last cost saving factor. I noticed you put down almost no maintenance – no watering, no mowing, no fertilizing. What would be the cost to maintain this FieldTurf?

Mr. Hewitt replied the cost would be whatever it would take to have someone pull kind of a John Deere or a little tractor and drag a brush that we provide with every field to groom it or regroom it and refluff the fibers approximately every 10 weeks. Now we as a distributor and because we do install our own fields unlike some other suppliers and manufacturers, we also provide a maintenance program that includes three visits per year to the field and that runs about \$5,900 a year. We use additional equipment where necessary to take out debris and anything else like if you have acorns and bubblegum and all of those other things. We can actually sift up the top of the infill and regroom it with a new top layer. That is the only maintenance you have. If you have high wear areas like possibly in front of a goal or in the center of the field where you may have a lot of face-offs and things like that, you may get rubber and sand displacement, which moves. You really don't want to put more sand and rubber down because now you are just

adding...some place else has too much and some place has too little so it is a matter of raking it with a metal rake and the field is back to being level again.

Alderman Gatsas asked did you have an opportunity to look at West Memorial.

Mr. Hewitt answered yes.

Alderman Gatsas asked how many square feet do you think is there.

Mr. Hewitt answered if you don't count the D areas, which are behind the goalposts, we call those kind of a D area, if you don't count the grass there and you don't count the grass that is on the other side of the track where you have the running pits...

Mr. Ruggles interjected they are talking about West Memorial Field.

Mr. Hewitt stated oh West High School would be approximately 80,000 or 82,000 square feet.

Alderman Gatsas asked what was your bid on that project.

Mr. Hewitt answered I don't know that and I don't know if it was bid with a base construction or not.

Alderman Gatsas asked, Mr. MacKenzie what was the cost of that project. Why does \$830,000 ring a bell?

Mr. MacKenzie answered probably Ron Ludwig would know better. I know at one time it was estimated to cost roughly \$750,000.

Mr. Ruggles stated the track was included in that.

Alderman Gatsas stated I was just looking at a comparison on the price per square foot versus the \$750,00.

Chairman O'Neil asked, Ron, do you have that information tonight.

Mr. Ludwig stated I believe when we bid the project we bid the subsurface drainage installation separate from the actual turf. I believe the subsurface drainage was in the vicinity of a couple of hundred thousand dollars and both of the companies came in almost dead even at around \$470,000 at the time. That is to the best of my recollection. We did chose the upgraded perimeter drain product



for West, which added a little bit to the job but again that went in kind of separate so we were probably around \$750,000 or \$800,000.

Alderman Gatsas asked has the cost of the products gone down.

Mr. Hewitt answered the regular price of FieldTurf has not gone down. There have been a number of discount occurrences, especially where we had multiple fields. For instance, in Portland where we put in the Fitzpatrick field when they put in a pre-bid proposal with us and tried to determine which product they were going with they did the bid as a two field bid so the price we gave them for that field was discounted. I believe we also gave Nashua a discounted price for the product with a commitment that the next field will probably use FieldTurf as well. There is a lot of competition. There are a lot of new upstarts in the business. They are all all rubber fields. They are not using the cryo rubber. They are using cheaper rubber and different kinds of sand and the fiber is a lot less. Sometimes you will see as little as  $\frac{3}{4}$ " to  $\frac{1}{2}$ " of fill. In our case, we use 1  $\frac{3}{4}$ " of fill. It is much more costly and we use better ingredients.

Alderman Gatsas stated I was just trying to do a comparison at 115,000 square feet versus 80,000 square feet and I would think that the number would have been closer to \$1 million compared to what West Memorial was. It is about 50% of what the 80,000 is so if you just take 1.5 times if you were at \$7 plus \$350,000 is \$1,050,000. I would think that the parameters would be pretty close to that versus somewhere close to \$800,000.

Mr. Hewitt replied 115,000 square feet at \$7, which would the low side as you said would be about \$805,000. That is the price.

Alderman Gatsas asked and if we take the number as a quick estimate that he just gave us of somewhere around \$700,000...let's say it is \$600,000 and if we take 50% of that to get it to the 120,000 square feet it is about \$900,000 that is why I am saying the numbers don't match. Do you see what I am saying or have I lost it?

Mr. Hewitt answered yes but I don't know how exact his estimates are.

Alderman Gatsas stated well if you took \$600,000 and his lower estimate I am saying the cost to do 115,000 square feet...

Mr. Hewitt interjected about \$690,000.

Chairman O'Neil stated I think the intent of the presentation tonight was just to inform the elected officials that there are alternative ways to go. More and more

municipalities are adopting a product like FieldTurf and I think the presentation tonight is a difference between FieldTurf and other products. Our city to the south of us has it and I have officiated both football and lacrosse on it and I can tell you that it is nice to work on a fairly level field knowing that the next step you take you are not going to be breaking an ankle. The reviews I hear from the high school coaches, both in football and lacrosse are nothing but positive. They enjoy playing in Nashua. In fact, many coaches around the State would prefer playing home games in Nashua. I think one of the intents is there is a cost. It is more expensive to install a product of this type than regular sod but I think, as Mr. Hewitt pointed out on Page 15, if you look at the maintenance end of it, there is little or no maintenance to these fields and we are no different than any other community. We have a hard time maintaining our fields. This was just for education purposes tonight. I know that Parks is looking at doing some upgrades at Memorial High School. I know that Gill Stadium has been talked about in the past. We need to look at these alternatives and take it from there.

Alderman Gatsas stated I can almost remember the West Side Aldermen giving everybody on the East Side a guarantee that if the West Memorial Field would work that Gill Stadium would be the next one that they would agree to do. My assumption was that that was going to be done in this budget cycle but I guess we need to get the minutes of that meeting so we can get the quotes correct.

Chairman O'Neil stated I think it is an alternative for us. It is an option. I think we should take a serious look at it whether it is for Memorial or Gill Stadium. In the case of Livingston, that is a new installation and one of the pluses is they have a full-time guy up there who is able to make sure that the field is properly maintained and I know that was part of the agreement.

Alderman Lopez asked could the parties here get together with Ron Ludwig and then could we have Ron come back to the Committee and give us the difference between the product we have at West Memorial and FieldTurf. I agree with you and everybody else about Gill Stadium. I know that we did say that Gill Stadium should be next. If they could work it out so we could have some numbers and information in the event that we do something along that line and get the money for it at least we will know before they go out to bid what we are talking about.

Alderman Smith stated I have to agree, Ted, that Gill Stadium needs help. I appreciate these fellows coming here tonight and I think we should address it because all of the City schools play baseball there. All of the City schools play football there. It is a multi-purpose field and we need it for the protection of our children, especially the football athletes. If you go behind second base there is a difference of at least 6" even today so a tailback has one leg up a half a foot more

than the other so I think it is time that we address the situation and I concur with my friend Alderman Gatsas that we should make Gill Stadium a priority.

Chairman O'Neil asked is it safe to say that the installation you indicated that you are in the process of completing very shortly at the college in Maine is probably the closest thing to Gill Stadium with baseball and football.

Mr. Hewitt answered yes.

Chairman O'Neil asked most of your other installations to date have been either football, soccer, field hockey or lacrosse, kind of rectangular type fields.

Mr. Hewitt answered absolutely and they designed it so that they are going directly across the infield. In addition to that, FieldTurf is working on a new design to provide a covering to the cutouts. We will go in and put in the fill and the cover, the fabric, each year for them so that when they play football it will be on an all turf field and it will be pulled up in the spring for football.

Alderman Gatsas stated I think it is important that we recognize that should we put the installation at Gill Stadium we can have the football team come back and practice where we used to practice many moons ago and that would be out in center field. It didn't affect the turf out there and it would give us some expansion for Beech Street School so the kids don't have to cross the street for the playground issue and we could utilize what is now the Central practice field because they would have an opportunity to practice where we used to practice 100 years ago.

Chairman O'Neil asked is there a motion requesting these gentlemen and our Parks & Recreation staff to get together to talk about Gill Stadium.

On motion of Alderman Lopez, duly seconded by Alderman Smith, it was voted to instruct staff at Parks & Recreation to get together with the representatives from Northeast Turf, Hue Inc. to come up with pricing information for installation at Gill Stadium and Memorial High School.

Alderman Lopez stated there must be some reason we chose what we did for West Memorial Field and this company did not get selected. We could have Ron address that at a later date.

Chairman O'Neil addressed item 4 of the agenda:

Presentation by Mr. Tim Clougherty regarding the Manchester School Facilities Improvements project (design/build).

Mr. Clougherty stated thank you for allowing us to provide you with an update on the status of the design/build finance project. As many of you may or may not be aware, we issued Request for Qualifications and Expressions of Interest for the Schools Facility Improvement Project during the month of March. The document basically described the general scope of work that we are looking for as well as the process that we intend to follow. Responses to that were received in April. We had a total of four teams respond. Gilbane was one of the teams. The Floor Corporation, Cole Educational Partners and Turner Construction. Interviews with all four of the teams were subsequently held during the month of May and it created a draft of our Request for Proposals to send out to these teams. That draft was sent out in the late part of June and subsequent to that on July 25 we held a conference with all the teams. The purpose of the conference was to garner feedback on the procurement process as we had outlined in the draft, as well as to allow for an open forum for discussion on how we want to move forward. All four teams were represented, as well as all of the selection committee members. Subsequent to this conference and based on the feedback that we got from the candidates, it was decided that the field of the potential candidates would be cut from four to three teams and we are currently in the process of making the decision of exactly who those three teams will be. It also was decided that we move forward at this point with a two-step process in order to move on to select the most qualified firm. We are currently in the process of generating the RFP. It is an extremely comprehensive document. Based on the feedback that we got on the draft that we presented, which was basically an outline of the entire process – it contained all of the representative information that the candidates will receive in the comprehensive RFP but we only really outlined the work that was to be done at one school. We didn't think that it was necessary to provide all the information for the 22. It is pretty much cut and dry from that point. Based on that information, all of the teams feel that the document and the process that we have set forth is beneficial for both and is a definitely workable project. Right now we are looking at a timeframe of about eight weeks to allow them to respond to the first step and we have yet to determine exactly when the comprehensive responses will be received but we expect that to be sometime in the early part of 2003. Right now we are still working on the generation of the RFP. In a nutshell, that is where we stand in the process. I would be happy to answer any questions.

Alderman Lopez asked on the eight-week response, are you talking about the complete RFP of the final detail of the design.

Mr. Clougherty answered no. What we decided to do like I said was a two-step process. I didn't really describe it in detail but based on the level of effort that is going to be required of these teams they are extremely reluctant to move forward with four teams participating and investing the time and the money in putting a

comprehensive proposal together for all 22 schools. What they have asked us to do and we are in agreement with is to establish a smaller set of schools and issue that document and based on that we will short list to essentially two teams and those teams would then move forward with the comprehensive RFP. That is the timeframe that we have yet to determine.

Alderman Lopez asked is this all going to fall in with the \$250,000 that we gave you.

Mr. Clougherty answered at this point yes it is.

Alderman Lopez asked up until when.

Mr. Clougherty answered well there is no time limit set for the funding that you are talking about. We are basically looking at the scope of services.

Alderman Lopez stated I guess the bottom line is when...maybe Finance can answer this. When would you expect or Finance expect the Board of Mayor and Aldermen to commit money to this project?

Mr. Clougherty asked above and beyond that \$250,000.

Alderman Lopez answered yes.

Mr. Clougherty stated we would be looking most likely in the November timeframe.

Alderman Lopez asked, Kevin, do you agree with that.

Mr. Kevin Clougherty stated once you narrow down the field...what you have are companies that are going to spend \$250,000 to do planning. They don't want to come in and spend that amount of money and then find out they have lost and they have nothing going forward. What you have to do is try to make it palatable for them so we are narrowing it down to three and at that point we will come back and say for these projects this is what the cost is going to be and you will have to vote that up and if bonding is going to be part of it you will have to do those approvals. You would then get the balance to come back at a later date. There have been some creative things that people have put on the table in terms of how we might cost things going forward as well with some caps that would be to our advantage so we are going to take a look at all of those as part of that first phase. We expect sometime in the fall, probably October-early November to have some information to come back to the Board with in the form of Resolutions but it will always come back to you. There is no pre-authorization or something like that that we have.

Alderman Lopez stated I am just trying to understand from the meeting that we had down in the Millyard the commitment of the whole project. I know you are taking it in phases and pieces and stuff like that but if a company is going to come in an invest all of that money when do you think that that phase where we committed to put in \$60 or \$70 million into school projects?

Mr. Kevin Clougherty replied I think in November you are going to have a pretty good idea of what the cost is going to be and some very definitive costs on a large portion of that because depending on what projects you select...if you took all of the high schools for example that is half the program in terms of size so it depends on how you select them. The one thing we have gotten from our money that the City has never had before in my opinion is you have a master plan. You have got fourteen binders that show all of these schools and their state of disrepair. It really took Parkers-Brinkerhoff and brought it to another level so for the first time since I have been here you actually have an inventory and a plan to do something. The time to date has been well spent. I think you have a good document to go forward and now let's wait and see what these companies come back with.

Alderman Lopez asked are we missing anything as far as...as we go through this process come November we are going to sit here and say we need \$60 or \$70 million to do this project. Are we missing anything? I appreciate you bringing us up-to-date, but as time goes on are we going to get all of the other information to complete the pie as to if we do this project what are our capabilities in eight years.

Mr. Kevin Clougherty asked to do the overall CIP. That falls into the timeframe where we are ordinarily communicating with the Chairman of what our forecast would be for debt affordability.

Alderman Lopez responded I am talking about when the Board of Mayor and Aldermen are going to be voting on this massive project I think that we need to know the whole picture of the City and I hope that we are provided that information.

Chairman O'Neil asked, Tim, just to re-educate us this program will be 22 of 23 schools that will get some work at some level.

Mr. Tim Clougherty answered it will be every school but McLaughlin Middle School.

Chairman O'Neil asked and some will get additions and some will get just renovations to them. Is that correct?

Mr. Tim Clougherty answered right now we are looking at additions to the three high schools, additions to two of the middle schools, some sort of addition or facility to address some center city elementary needs and renovations to all of the facilities, including the ones that are getting the additions.

Chairman O'Neil replied this includes mechanical and electrical upgrades, ADA compliance and all of that.

Mr. Tim Clougherty responded for the most part it is the mechanical and electrical. There is flooring, painting, roofing...we are going through and identifying every major area of deficiency as well as the majority of the minor areas of deficiency and items that are labeled such as maintenance type issues that a project of this magnitude will address but every major deficiency that we would typically go to CIP for bonding for is being addressed through this project along with the capacity related issues at the high school and middle school level.

Chairman O'Neil asked this project received attention from national teams, correct.

Mr. Tim Clougherty answered the teams that responded...I just got a list of the 50 largest construction companies and three of the four teams were on that list.

Chairman O'Neil asked so this is an important project nationally.

Mr. Tim Clougherty answered it has generated substantial national interest. Along with the process, that is a good point that Kevin brings up. Some of the feedback that we got...the conference that we held was extremely beneficial. We thought that some of these guys may hold some things real close to their vest when they are sitting next to their competition and their potential selection committee but for over two hours we had a very open forum on how the process has taken place. We got some feedback from them on how it should take place. I have been pulled aside and I think that Kevin has as well and been told that the way we are moving forward is extremely unique, it is innovative, it will work and once it works it can be used as a model for other communities to improve their facilities, not only schools but other municipal facilities. One of the teams has gone so far as to tell me that not only are they interested in this project for the project itself, but they are also interested in it for the future business and the future salability of such an idea.

Alderman Wihby stated on the additions that you are putting on, are you basing the capacity on the tuition students being here.

Mr. Tim Clougherty responded that is correct.

Alderman Wihby asked what happens if they are not as far as the additions. Does that decision have to be made before we move forward with the plan?

Mr. Tim Clougherty answered it doesn't have to be made before we move forward. We can structure the proposal in such a way that would allow us negotiation but the additions as they are laid out assume that tuition students are part of the mix.

Alderman Wihby asked did you look at where the numbers are going for the next 10 years.

Mr. Tim Clougherty answered we verified the enrollment projections that were included in the original Parsons-Brinkerhoff report in 1999.

Mr. Kevin Clougherty stated one of the reasons that the selection may be for the three high schools is so that we can get that information and get it done in a time table so that the tuition discussions can be completed in March in the town meetings. We are working on a timetable with the School District. In fact the Superintendent and Ron Chapman were at all of those meetings as well.

Alderman Wihby asked so do you envision that the Aldermen are going to vote to move forward with the total project as is and there is going to be some decision on the tuition students.

Mr. Kevin Clougherty answered I think for the tuition students those decisions are going to be made, it is my understanding, by the communities in March.

Alderman Wihby asked why by the communities and not by us. We can decide we don't want them.

Mr. Kevin Clougherty answered there is a process now and I am not the authority on this but what I have gathered from the discussions I have been in is there is a process going on now between the School District and the surrounding towns but all of that may get consummated as part of the town meeting process. What we are trying to do is get the information necessary to help the School District to be able to come up with the information they need in order to get those decisions made at the contract level so they can get that consummated in March.

Alderman Wihby replied but you just told us that we were going to see some results in November. Are you asking this Board to vote in November whether to move forward with the project?



Mr. Kevin Clougherty responded no we won't be asking you to do that before we know what the deal is with the towns and the schools.

Alderman Wihby asked so you won't be looking for a vote before March.

Mr. Kevin Clougherty answered I don't believe so but what we will be doing is bringing forward to you this information and getting the Resolutions in place and putting that before you so that you can see all of that because there is going to be some discussion I would think at that point by the Aldermen to take a look at some of the things that Alderman Lopez talked about – the big picture. It is not something that we expect to come in at one point and it is going to be one vote. There is going to be some discussion.

Alderman Wihby stated I guess where I am coming from is you are looking for some sort of vote on a Resolution before March like the total Resolution and then say to us you can always change it later if the tuition kids don't come. Is that what you are looking at?

Mr. Kevin Clougherty responded right. It might be some type of a contingency approval if at that time that is the right thing to do. I don't think that what any of the City people want to do or the School District is commit to something today and say it is going to be X and we are going to do this and then later on find that the school districts aren't going to come along. We want to plan for them to be here and give them all the information they need to know what their commitment will be if they stay here and realize that we are doing a comprehensive program to improve the schools. Certainly, we are not going to have the City commit to a contract with a construction group until we have some consensus from all of the different parties because that is part of the funding.

Alderman Gatsas asked, Kevin, don't they have to prepare their budgets in these local communities far before March.

Mr. Kevin Clougherty answered yes they do and that is again why if we have this stuff in the fall they will have it in time for that.

Alderman Gatsas asked so if we are looking at commitments to...let me start again with the first question. Why have we taken four and gone to three? I would understand if we had twenty and went to four but if we have four people interested why are we reducing one. Did they not qualify?

Mr. Tim Clougherty answered all of the teams that participated, all four teams, requested that the list be culled. They actually wanted it culled to two.

Mr. Kevin Clougherty stated the reason for that, Ted, is that they don't want to go out and invest a lot of money between now and the fall and find out that they have got a one in four chance of getting this all. If you have a one in three or one in two then it is worth the commitment from a business standpoint to make that commitment.

Alderman Gatsas asked are you going to present to us the financial subsidiaries that are actually part of these companies so that we understand who the holding company is, etc.

Mr. Tim Clougherty answered that will all be part of our recommendation.

Alderman Gatsas stated back to the original question. I guess I have a problem because we are going to be proposing a Resolution that we can mark-up if we don't know if we have tuition students or not. Are you saying that the local municipalities are going to be voting on whether they are going to send their students to classes here and that is going to be done in March by ballot? I thought that Mr. Cook was out negotiating contracts now.

Mr. Kevin Clougherty replied as I said I am not the authority on this and you can certainly talk to them but my understanding is that they need to have this information as part of this process so they can do their budgeting and bring that before their town meetings in March. Again, I am not the authority on this and I may be wrong. We are trying to move ahead with a process that allows for information to be provided to them so if they want to make the commitment to come to the City here is the work that would be done and here is how much it would cost and we could move forward.

Chairman O'Neil asked why don't we request that information from the School District and see where the contracts are at with some of these communities.

Alderman Smith stated I agree and one thing that bothers me is I would hate to go into an eight-year program to spend money when we don't know what the situation is with various towns. I don't like the idea of the towns dictating to us. I think that we should put out a program and the School Board should get a contract and get a mandate from the various towns using our facilities at least for 10 years if we are going to go through this program.

Mr. Kevin Clougherty responded I think the staff doesn't agree with that but what we feel in fairness is to tell the towns the level of commitment that the City could make on those buildings over that time period so that they can make that decision. I think it is a two-way street. They need to understand what level of activity could

be done in these schools and is planned in these schools to make their decision going forward.

Alderman Smith asked are you telling me, Kevin, that if we had a five year obligation and we put all of this money into our school program that they would pull out in five years and we would have these saturated buildings.

Mr. Kevin Clougherty answered no I don't think that is the intent at all. I think what you have to do is tell them that if they stay for 20 years this is what the program is going to be and the cost.

Alderman DeVries stated I would like to back the discussion up a little bit to the master plan, Kevin, that you were discussing. You indicated that work was going to be done, if I recall, on 23 of 24 schools. Can you tell me if within that plan taking the capacity projections from the Parsons-Brinkerhoff, are you saying that within this proposal you are addressing the portable classroom issues and will you be eliminating portable classrooms from the City? Is that part of the Parsons-Brinkerhoff to eliminate the use of portable classrooms?

Mr. Tim Clougherty replied the portable classrooms will be eliminated for the most part at the middle school level and at the high school level and they should be phased out at the elementary school level as well.

Alderman DeVries asked should be or will be.

Mr. Tim Clougherty answered they should be.

Alderman DeVries asked so that is being addressed.

Mr. Tim Clougherty answered yes.

Mr. Kevin Clougherty stated the capacity questions are part of the analysis that was done. Certainly if there is a new development...that is why we are kind of hedging on that but based on the current trends and the current numbers the capacity issue should be addressed as part of this proposal.

Alderman DeVries asked so what you are telling me is that at the end of the eight odd years of bonding or the four years of construction that any elementary school currently having portable classrooms would no longer have portable classrooms. Is that what you are saying?

Mr. Tim Clougherty stated we don't have the authority to make that commitment. We don't control where they go in or when they go in. That is really up to the School District.

Alderman DeVries replied I understand but if they are currently in place the plan is to eliminate them.

Mr. Tim Clougherty responded yes.

Chairman O'Neil asked Tim are we giving ourselves some room with regards to capacity. We haven't had a great history in targeting capacity numbers? Are we throwing a certain number over and above what we think the numbers are?

Mr. Tim Clougherty answered we are using usage factors. I am not sure exactly what that usage factor is currently but there is some room for growth there.

Chairman O'Neil asked over and above the numbers that are recommended.

Mr. Tim Clougherty answered yes.

Chairman O'Neil stated because we have had a history of being too close on that in the past. McLaughlin is a very good example of it where we are putting an addition on a building now that is less than five years old. So we are giving ourselves some room then to allow for the numbers being off a little bit?

Mr. Tim Clougherty answered yes.

Chairman O'Neil stated my understanding is that you don't need any action from us tonight. You are just trying to keep us updated on what is going on as best you can. You will probably be back before the Committee at some point. Is it also my understanding that you are going to be making a similar presentation to the Joint School Building Committee?

Mr. Tim Clougherty replied that is correct.

Chairman O'Neil asked is it in the next couple of weeks.

Mr. Tim Clougherty answered I believe our meeting is scheduled for next Tuesday evening.

Chairman O'Neil addressed item 6 of the agenda:

Resolution and budget authorization authorizing acceptance and

expenditure of private donations in the amount of \$100,000 for the 2002 CIP 714402 Sidewalk Improvement Program.

On motion of Alderman Wihby, duly seconded by Alderman Smith, it was voted to approve the resolution and budget authorization.

Chairman O'Neil addressed item 7 of the agenda:

Resolution and budget authorization authorizing acceptance and expenditure of funds in the amount of \$40,000 for FY2002 CIP 811102 Wetland Inventory Evaluation Project.

Alderman Wihby moved the item for discussion. Alderman Smith duly seconded the motion.

Alderman DeVries stated I contacted the CIP department last Friday I think it was because that is an incorrect CIP project number. It should have been 511203. I thought they were going to have a correction for us tonight.

Mr. Maranto replied I looked into that and per the agreement that money is to be put into the Urban Pond Program for either Crystal Lake or another water improvement program. What I would suggest is that we just revise the start-up and give definition to indicate it as such so it won't just be for the evaluation but for those alternative activities.

Alderman DeVries stated I understand that the EPA specifically said that they did not want to see the \$40,000 go towards paperwork and they wanted it to go towards actual land preservation and that was part of the drudge and fill. It was a condition of the drudge and fill permit.

Mr. Maranto replied we do have the agreement here and it does identify two activities that the money should go towards. That is why I am suggesting that I revise the Wetland Inventory to include that. It was called the Wetland Mitigation Agreement. That is why it went under this project.

Alderman DeVries responded so I don't understand. You are saying that you will be revising this CIP project number or you are splitting this somehow?

Mr. Maranto stated what I was going to do was revise the description of the project so as to include other activity besides inventory meaning either Crystal Lake activity or the Urban Pond Coordinator position as per the agreement that I have in front of me.

Chairman O'Neil asked does the agreement allow us to dedicate this money to Crystal Lake.

Mr. Maranto answered yes it does.

Alderman DeVries asked in its entirety or partially.

Mr. Maranto answered it says it could be spent on water quality improvements such as at Crystal Lake or an Urban Pond Coordinator so either activity.

Alderman DeVries replied so you are saying water quality improvement. Would that include the land purchase, land preservation?

Mr. Maranto stated that is included in there, yes.

Alderman DeVries asked and it would be the entire \$40,000 or would there be a split in the funding on that.

Mr. Maranto answered again it indicates here a \$40,000 contribution will be made to the Urban Pond Program for use of one of two targeted alternatives, i.e. Crystal Lake Improvements or the Coordinator position.

Chairman O'Neil asked but who is going to make that determination. That is two very different uses of the money. Who is going to make the determination of where that money went?

Mr. Maranto answered looking at the agreement here the money is given to the City through the Urban Pond Restoration Program, i.e. Conservation Commission.

Chairman O'Neil asked we don't have the power to determine where that money goes.

Mr. Maranto answered the agreement is made with the City through the Conservation Commission. I guess I would defer to Mr. Arnold on that. Are you familiar with this?

Deputy Solicitor Arnold answered not really.

Chairman O'Neil asked if we put this on the table, what happens.

Mr. Maranto answered the money would not be available to spend until such time as we vote on it.

On motion of Alderman Lopez, duly seconded by Alderman Wihby, it was voted to table this item.

Chairman O'Neil addressed item 8 of the agenda:

Resolution and budget authorization authorizing acceptance and expenditure of funds from area developers in the amount of \$9,417 for FY2003 CIP 713303 - South Willow Street Area Improvements.

On motion of Alderman Wihby, duly seconded by Alderman Smith, it was voted to approve the resolution and budget authorization.

Chairman O'Neil addressed item 9 of the agenda:

Resolution and budget authorization increasing the FY2003 612303 – Convention and Visitors' Bureau by \$100,000 (NH Department of Resources and Economic Development matching grant).

Chairman O'Neil asked, Jay, are you involved with the substitution resolution.

Mr. Taylor answered with the resolution but not the substitution. Let me explain what is going on. There is \$100,000 for the Convention & Visitor's Bureau in the current 2003 fiscal year CIP budget. We have gotten an agreement from the State of NH to provide a matching amount at \$100,000 and this resolution is simply designed to amend the CIP program to accept that additional \$100,000 from the State.

Alderman Wihby asked what does this do for the senior center.

Mr. Taylor answered nothing. There was a mistake in the way the Resolution was put into the agenda.

On motion of Alderman Wihby, duly seconded by Alderman Lopez, it was voted to approve the resolution and budget authorization.

Chairman O'Neil addressed item 10 of the agenda:

Communication from Robert MacKenzie, Director of Planning, advising that the Highway Building Maintenance Division has requested several school improvement bond transfers, as outlined.

Alderman Smith moved to approve the request. Alderman Wihby duly seconded the motion for discussion.

Alderman Wihby asked, Bob, what exactly are we doing. Are we just using balances to take care of some other projects?

Mr. MacKenzie answered these are older projects, which as I understand have been closed out in essence by the School Board. They would be necessary to help fund the design-build project that is now currently going on. So the money is being rolled over from old school projects into the future major school improvements.

Alderman Wihby asked and we are only talking \$86,000.

Mr. MacKenzie answered correct although I do have an updated number that I would like to read in so that we can get the correct resolutions. It is \$86,071.33. Parkside should be \$34,029.65.

Alderman Wihby asked, Bob, this is their money anyway right. When we split up and told them to figure out what their debt was this is the total that is in there?

Mr. MacKenzie answered that is correct.

Chairman O'Neil called for a vote on the motion with the amended amount of \$86,071.33. There being none opposed, the motion carried.

Chairman O'Neil addressed item 11 of the agenda:

Communication from Robert MacKenzie, Director of Planning, submitting a list of special conditions and assurances the City must comply with in order for the Police Department to receive funding through several U. S. Office of Justice Grant Programs.

Alderman Lopez moved to approve the conditions. Alderman Wihby duly seconded the item.

Alderman Wihby asked, Tom, do you have concerns with some of this and can you tell me what they are.

Deputy Solicitor Arnold answered I am not sure that concerns is the right term. This grant program contains a number of assurances that the City must make in order to receive these funds, including matching grants and that type of thing and I just wanted the Committee to be aware that there are those assurances in place.

Alderman Wihby asked like what. Is there something that should concern us?



Deputy Solicitor Arnold answered for instance the 10% match grant.

Alderman Wihby asked where does it say that.

Alderman Lopez answered Item 17.

Deputy Solicitor Arnold stated again there are requirements such as public hearings before the use of funds. There are requirements for continued funding after the grant expires. These I don't think are new assurances. You have probably seen them before but they are nonetheless commitments that the City makes once they accept these funds.

Alderman Wihby stated that is a normal thing anyway. Is there anything in here that stuck out that you thought we would have a problem with like where all these arrows are?

Deputy Solicitor Arnold replied I didn't mark up my copy. I don't know where your copy came from.

Chairman O'Neil stated well we have a lot of questions so let's get the police here the next time we meet.

On motion of Alderman Lopez, duly seconded by Alderman Wihby, it was voted to table this item and have CIP staff, the Solicitor and Police go over these conditions before the next meeting.

Chairman O'Neil addressed item 12 of the agenda:

Communication from Bruce Thomas, Engineering Manager, requesting approval of Chronic Drain projects as outlined herein.

On motion of Alderman Smith, duly seconded by Alderman Wihby, it was voted to approve Chronic Drain projects.

### **TABLED ITEMS**

Lowell Terrace Associates request for a mortgage/debt consolidation for property on Lowell and Chestnut Streets.  
(Tabled 02/12/02 - item to be addressed at a special future meeting.)

Chairman O'Neil stated we might not have a CIP meeting in September depending on elections and all of that so let's get this on the radar screen for October and

bring this to some closure. If they don't want to come down to discuss it we will get it off the table at the next meeting and receive and file it. That was pretty controversial last time it was before us.

Presentation by Ron Ludwig, Director of PR&C and the present lease holder of the Derryfield Restaurant regarding the possibility of constructing a new clubhouse at the golf course.  
(Tabled 5/14/02)

On motion of Alderman Wihby, duly seconded by Alderman Lopez, it was voted to remove the following item from the table for discussion.

Mr. Ron Ludwig stated I will run through this but we were here back in July and I believe that the CIP Committee at that time gave a basic conceptual approval of the project. I don't want to speak for the Committee but I think they liked it but they felt it needed a little bit of refinement. Throughout the whole process we have been in contact with the City Finance Department as it relates to putting together a financial package. Several of the other items that are related to the overall contract, should the project move forward at some point, have yet to be determined and obviously that would have involvement with the Solicitor's Office and we would be cleaning up this whole contract once and for all. The current contract exists with about five addendums to it over a large number of years so it would be the development of a whole new contract. What we would like to show the committee tonight is some of the revisions that we were instructed to do. We were told to go back and try to sharpen our pencils a little bit and see if we could get the overall number down that we were asking for from the City side on this project and that is what we tried to do – get creative and find better ways to finance it. We will run through these slides rather quickly because I know we have been here awhile already and we delayed the process and I am sorry about that. Discussion items typically will be the current facility and its condition, the proposed facility, the financing proposal, which Randy Sherman to my right will speak to other options, considerations and staff recommendations. Let me just take one moment to introduce Mike Lanoie who is the current lessee of the restaurant. The current facility is a three-story building. It is about 17,108 square feet. It is a wood structure constructed in the late 1800's, 1890. It currently houses the pro shop, golf course management, Parks & Recreation administrative offices, locker rooms for men and ladies and juniors and a restaurant function facility with deck. To list some of the current facility deficiencies and there are several, these as it relates to the fire code the sprinkler system of which there is none were identified in a previous engineering report that was part of the master plan that we did back in 1998. To get fire suppression into the building would be a significant investment on our part. Egress is there. It is difficult. It does meet fire codes, but as you will see in future slides you will see how difficult some of

that egress can be at times. ADA compliance. We did do some ramping to get people into the restaurant and into the Parks Administrative Offices on the first level but there is absolutely no way to invest in elevators at this point to access the second story. The toilet and shower facilities were made ADA compliant some years back with money that we received in that regard. Some of the smaller deficiencies – half of the roof is in very good shape and half is in very poor shape. We would have to do something. The electrical as you will see in another slide is in a not very good condition and we have estimates to clean that up and they were significant and pretty much cost prohibitive. Heating is more or less helter skelter in that we have changed over from oil to gas as the restaurant has but it is still a very chopped up system that doesn't operate very efficiently. Gas storage we have listed here in that we basically do small maintenance operations for the golf course. We work on small pieces of equipment in the lower level. We are really not allowed to do that anymore. We have to work in a storage barn that we have in another location on the property and it has made life difficult in cold weather when we want to work on those kinds of pieces. Trash storage is wherever we can pretty much put it. We try to hide dumpsters around the back so that patrons don't have to look at them and we have some slides that will show you that. Toilet and shower facilities are pretty much non-existent in the building we are in now and also we will be discussing a little about patron flow and how people arrive and what their sense of arrival is when they get to Derryfield Country Club now. This is a southerly view of the current facility, which pretty much shows the side of the building that has received no improvements. The flip side of the building is more or less the restaurant side and the deck side, which has a slightly better look than this side. We will move on. The main entrance to the restaurant is basically on this side although you can access the restaurant from the other side, which would be on the north side of the building. Typically because of the parking lot and the way the footprint of the building is on the site, this is basically the main entrance. We have another slide that will show that. This is basically the main entrance to the restaurant. If you can see, by today's standards it is kind of set-up backwards. You are actually going into this double door, which is also the rear entrance to the kitchen where a kitchen helper would be coming out with trash and things of that sort. The box to the left of that screened in door is effectively a cooler that was added on several years ago I believe by a previous lessee. It is just very unattractive and really isn't in the right location. We took this slide just to show that we tried to hide some of the, not garbage, but boxes and things like that occasionally to get them out of sight. It is not a fire hazard but again it is not very attractive in the front of a building. This slide was just to identify some of the roofing conditions and this is over the back half of the Parks Administrative offices right now. Also the siding is falling off but that is not one of the huge problems. This shows you the main service entrance to the building. We had a local electrical engineer look at this and tell us that the only way to clean this up would be basically to construct a new building and bring a service entrance into it

and then punch back through. Again, it was pretty much cost prohibitive. This was to give you a sense of arrival when a golfer comes in from a direction over here in the parking lot and he walks in to come and go around and up to the pro shop. He has to walk through the cart storage area and also our maintenance garage is right here where we work on some of the equipment. So we wash equipment in this area and your sense of arrival when you come to Derryfield is through this area. It is just not set-up very well. Again, this is basically the storage area. When we took this slide we did have a few pieces of small equipment that contained gas, which we have since been asked by the Fire Department to move out to another building and we were able to do that so the building is basically cleaned up at this point. This is coming through the garage door that you pointed out. You will see on the left that there is some material we are allowed to store. They are not combustible materials but they are solvents that we use for cleaning. You take two steps up and basically in this area you are going into where the men eat lunch on your right. This again doesn't look too bad but it is a work area where we bring and do all of the sharpening of reels. That piece of equipment to the rear right here is a piece of equipment that during the winter we sharpen all of our mowers for Parks, Cemeteries and anybody else who has them that needs them so we do all of that down here. Years ago we had to put in proper ventilation from dust to capture that and stay away from liability issues with employees and such. It is safe but it has certainly outlived its usefulness. This is a little bit back again but it kind of shows you again that your sense of arrival is here. You walk past the maintenance garage and if you hook around you see our other storage barn over there, which is fairly new but you see the dumpsters in this area and it is difficult to keep the area clean when people are walking all the time. Again, this is where we store carts and you can see the dumpster. This may be a Monday morning when trash hasn't been picked up. This is the men's locker room. Again we are not certain at this point whether a new facility would even contain locker rooms. Many municipal golf courses today opt not to put in locker rooms. In some cases because to make them usable by golfers they need to be wider. You can see the narrowness of these lockers. You basically can't even fit a golf bag in the locker. It is okay to hang a sweater or a very narrow golf bag, but again it is pretty much non-functional. We took this slide – this is where you would come out of the pro shop. This is actually the entrance to the ladies locker room. To the right here is the scoring tent. Typically when we have tournaments the scoreboards are kept under there. To the right of this is where you go up to the deck on the front of the building. Again, this is where you come out of the pro shop and you come onto the first tee, which would be over here in this area. This slide was just to depict that while yes the egress was by code acceptable, the narrowness and the steepness of the stairways was probably not up to code today. This was again a picture we took of the current banquet facility. It holds approximately between 80 and 100 depending on whether you are dancing. You can see the little dance floor in the middle here.

Without the dance floor you could probably get 100 people in this banquet hall. It is not accessible. It is difficult to get at. It is difficult for the wait staff to get up and down with trays and it just doesn't prove to be very functional. This is the golf professional shop where City business is conducted so when you come into the pro shop from the locker room on this side you actually walk up to the counter and this is where City business is conducted. This is where you are asked to give your number if you are a member so we can track how many times you are playing, how many holes you are playing and we can have good numbers to report to you, the Aldermen, for future reference. We took a few slides here, not to indicate that this is the kind of facility that we want but this is kind of a newer look. This happens to be Stonebridge Country Club if any of you are familiar with it over in Weare. It is just basically the lounge area, which shows more televisions. The flow is better and the traffic can go through and the facility is very nice. We included this slide to just give you an idea of what it would be to have an open concept at the Derryfield facility on the first floor level. Not the walkout basement level but the first floor level with a possible deck area looking in an easterly direction. Again, this would be a similar slide that would say if you could picture walking in at the parking lot level at Derryfield and on the back side, this is the way we would envision a deck to look, again on an easterly elevation. This was a picture of their pro shop. Actually it doesn't look at lot better than the one we have but it does present itself...the reason we put this in is you can see how the flow of traffic through these pro shops is far better than ours as it relates to the golf pro being able to protect his investment and people walking through. Again, this was just a slide of Stonebridge because in our opinion it kind of showed how this walkout basement effect could look. You can see an elevated deck on one level yet you could use the walkout basement on the second level as additional square footage for our offices, etc. Again, this is Abernacki Country Club. It is very beautiful and probably a little bit out of the range of what we would be attempting to build here, however, again we felt that it did show two different elevations and we just wanted to give you an idea of some of the thoughts we had going forward. Again, this would be inside. Abernacki is very beautiful. It is an exclusive private golf course so while I don't think we would be looking at anything quite this extravagant, we would be looking to try and open up the building and create as much light through the façade as possible with as many views of the golf course as we can. People really love to look out at the golf course whether they are eating breakfast or whether they are enjoying themselves after playing. The proposed facility would be approximately 20,660 square feet. About 3,400 square feet of that would be an overlook deck. In-house we would have the pro-shop on the lower level, and golf course management in the pro-shop and Parks & Recreation administrative offices on the walkout basement level. The restaurant function facility with deck on upper level. The locker rooms, and again we are not sure that these are something we would even include on the lower level at this point given space requirements. The proposed facility would be a two-story

wood structure located on the east end of the parking lot. That is where we have a pre-fab Wood Master portable garage type facility. We would be taking that facility down. The restaurant function facility would be on the upper level. I call the lower level kind of a walkout or walk-in lower level entryway. We would be relocating the existing maintenance facility and that includes again the Wood Master style facility that we have now and also we would be vacating the facility underneath the existing clubhouse, which is just not a good situation. We would be demolishing the current structure and the estimated overall cost would be \$2,450,000. Facility comparisons just to give you an idea of where we are now and where would we be going and again these are approximations. The administration, the current is about 2,798 square feet. The proposed would be about 3,280, which is a little increase. The pro-shop is 1,201 now. It would go up approximately to 2,000...that could vary. It could actually come down a little bit if we give space for restrooms and/or locker rooms. We do list locker rooms here at 1,500 square feet. Our current is 1,505 square feet and that includes men's and ladies. We are saying that we would need 1,000 square feet but some of that could be turned into extra restroom facilities on the lower level and the restaurant goes from about 7,715 to about 11,220 square feet. Again, this is looking at the building from the existing parking lot if you can picture that looking in an easterly direction to this end of the building and around the corner at the lower level would be your pro-shop. Again, this is subject to change and it is pretty much conceptual. Around the right side of the building here and down one level would be the Parks administrative offices, restrooms, and whatever. This would be looking with your back to the east in a westerly direction and you can see how the building gets two elevations here – the upper elevation being the restaurant and the lower being the Parks administrative offices down here. Restrooms for people who chose not to go to the lounge area or the restaurant when they are done but just prefer to wash their hands and go to the parking lot and leave. This end would be the pro-shop and also we would create some cart storage over here. Just to show you the floor plan of the facility and basically it is hard to read but the square footages pretty much match up with the previous slide. This kind of depicts how you are coming in from the parking lot. The main portion of the restaurant lounge would be on this level and then the lower level, the walkout basement on this side, on the east side, would be looking over the sixth hole of the golf course or towards Bridge Street Extension if that helps anybody. Again, the total cost is approximately \$2,450,000. Site work would be about \$200,000. Relocation of the existing maintenance facility – again we had proposed to do that over to the north of the 18<sup>th</sup> fairway, which actually would get our maintenance people out of the existing parking lot area and coming in on Nyberg Lane. Again, there have been some suggestions about looking at another site down on Bridge Street Extension. That is a possibility. We could do that. I do know that back in the early 1970's when we put the Parks maintenance facility down there the neighbors had some issues but that is not to say that neighbors...we would

actually have to canvass the neighbors and get a feel for what their take was on us moving over there at this point. Demolition of the existing building we estimate to be around \$150,000. Soft costs, architectural fees, engineering, etc. around \$250,000 and actual construction around \$1.6 million. Funding and finance considerations are obviously the impact on the general fund, impact on the debt capacity and the market rental rate. I will let Randy handle this part because really Finance walked us through this with the current lessee.

Mr. Sherman stated when Ron was before you back in June I was actually out of town. He made the presentation and the original funding proposal that we had was that the general fund would actually be issuing \$600,000 of bonds, debt service, to fund its portion. You have to understand that the building not only serves the golf course but it also serves Parks administration so there is a general fund portion to this. When I went back and read the minutes of that meeting I got the feeling that the Committee certainly understood the need for doing something up at the golf course but there were some concerns. One being issuing debt from the general fund and is that competing against other projects and the second one just generally was the dollar amount impact on the general fund. The three of us here sitting in front of you tonight went back and reworked the numbers. The restaurant is actually paying over...this is all based on that price of \$2,450,000. Obviously if that price is lower, these numbers would all come down proportionately. We have the restaurant up close to 62% of the project. The general fund is down to \$500,000 and Parks Enterprise is actually up to \$433,000. What we did to address the issue about the debt service coming out of the general fund is the way we structured this, the proposal in front of us, is that Parks & Recreation Enterprise would actually issue all of the debt for this project. There would be no general fund debt impact. Parks & Recreation Enterprise would own the facility. From that point, what the Parks & Recreation Enterprise would do is enter into either a lease agreement or a management agreement with the restaurant to run that facility. That is how we would get that \$1.5 million that we saw on the prior screen. They would also enter into an agreement with the general fund to lease the space for the administrative portion. What that does is it puts no strain on your debt capacity as far as the general fund and what you can issue for other projects. What it does do, though, is it would commit the Board to an annual appropriation for the lease of the administration space. The restaurant lease, what you are effectively asking Mr. Lanoie to do is pay for 62% of this facility that the City is going to own. With respect to that, what they have asked for is a 25-year lease. The way we structured this lease and there are no lease documents to hand out, this is all conceptual at this point, is a flat rate based on the debt service. Once the City issues the debt service and we know what those actual costs are and what those payment requirements would be, we would actually structure that. The first 10 years of the rent on the facility would be based on that debt service. After Year 10 through Year 25 we would actually adjust it with a CPI with a collar. That

means that the minimum amount that we would go up based on this would be a 3% increase and the maximum would be a 5% increase. That is just the first component of the lease. What we did over and above that, now that we have covered the debt service, we were looking to get some revenues into the Enterprise fund. The way that we did that is going after a percentage of the gross. Right now, the agreement that they have is that the restaurant pay to the Enterprise fund a percentage of gross. What we did was we tacked this percentage on over and above the debt service payment. Again, what we did here is we have a lower amount up through June 30, 2005. We are assuming this facility is up and running as of mid-2003 so that would give the restaurant a couple of years to get the facility up and running and get events booked. You have to understand too that they also have some up front fit-up costs going from an old facility to a new facility. They are not going to be taking the same equipment over. They won't be taking the same furnishings over so they will have some up front costs as well. We kind of phased this in and again stepped it up after June 2005. As far as the general fund goes, again we would only be looking for a 20-year commitment – whatever the term of the debt is. Obviously it would be subject to an annual appropriation. If the Board for some reason should decide that the administration offices should be over at JFK and those offices are no longer needed there, then the general fund wouldn't be paying an annual lease payment to the Enterprise fund. They would have to find another use for that space. It would be subject to an annual appropriation. You can ask Tom Arnold. We have run this by the City Solicitor's Office. Again, it would be equal to the debt service and again we would be capping this at \$500,000. If the project actually comes in less than the \$2,450,000 that would be reduced. An estimate is probably somewhere in the \$40,000/year range. The points again that we tried to address here are there is no impact on the general fund budget until FY04. Again if we can get the facility open prior to 2004 that is when the general fund would start paying some lease payments. There is absolutely no impact on the general fund debt capacity. We pushed that all over to the Enterprise fund and the restaurant pays what we feel is a market rate. If you actually do the calculations out, again, depending on where their sales are it gets them into the 5-7% of gross and obviously there is no cap on the upside. If they go and they have \$3 million in sales the City keeps collecting on that. Without the percentage of gross, just to let you know if you don't even collect that fee they are still paying over \$10/square foot. We went back and talked to people that we know that are in the restaurant business. We looked at the Margaritas deal and that again is in the market range. We also looked at what the other options were. I think that some of the pictures Ron showed you show that something definitely needs to be done up there. What were the other opportunities that we have? The first opportunity that we have obviously is to take the facility that we have and just renovate it. Bring it up to code and take care of all of the problems that Ron was pointing out. The cost that comes in on that is \$1,577,000 and it is probably two or three years old at this point and has not been adjusted for



inflation. That is just to get the current building up to code. The second one that we looked at was actually to abandon the facility and construct a new facility and tell the restaurant thanks but no thanks we are not going to have a restaurant at Derryfield. Construction of that was \$1.2 million and what that does not count are any payments that we would have to make to the restaurant to buy them out of their current lease. They do have a lease at the facility and obviously there are leasehold improvements that we would have to buy them out of. The third option that we looked at was construct the facility and bid out the restaurant. Again, there are separation costs. Going back up to the first option where you have \$1.5 million if you consider the numbers that we had for the City was \$433,000 for the Enterprise and \$500,000 for the general fund so when you compare those numbers to the \$1.5 million we think the City is well ahead of the game going with the option that it is going with. Even if you compare that \$900,000 to the \$1.2 million in the second option again we think that the option we are presenting to you is the best deal for the City.

Mr. Ludwig stated considerations and we are wrapping up here, we are up to code to the best that we can be, however, as it relates to fire suppression and things like that it has been cost prohibitive for us to put those in. We could do some restricting of the restaurant people if they actually shut down the banquet facility but it is actually a part of his lease to have the banquet facility so that would be a legal issue for the Solicitor as it relates to us doing something like that. We would have to look at the current lease. Again, initial indications from the Solicitor's office are take the existing lease that we have and pretty much get rid of it completely and start over from square one. We would be looking at all of the issues that we know can be issues like parking, where do people park, how are we going to get along with one another, noise issues...we would probably build those right into the contract that say we will make them as stringent as we need to make them to make the neighbors happy up in the area because noise has been a problem up there with some of the bands on Sundays and things like that. I think that we would have to develop some dialogue between the Solicitor, the current lessee and probably this Board at some point to make sure everybody is comfortable that those things are satisfied in this lease. Again, the budget impact to the general fund, the Enterprise fund and then the timing of the project is getting to be critical. Our thoughts are that we could relocate the existing maintenance facility and then do the site work and prepare the area to get the other facility up and running and still exist in the old facility and at some point in late spring or early summer maybe make the switch over so that we don't take a huge hit and no one loses a significant amount of business. In our opinion also this was a huge part of economic development. The golf course has, I think, served the City well over a number of years and to think that some kind of, whether we go with a restaurant or not, some kind of function facility up there has always been part of the country club and to say we want to ignore it wouldn't be prudent. We bring

people into Manchester at the Airport all of the time and wouldn't it be great to say we could take them to a nice facility, not only the golf course, which we are trying desperately to improve as we go...it is slow but we don't have all kinds of money either but wouldn't it be nice to be able to say that any member of this Board would be proud to take somebody up to Derryfield and have a nice place to go and a safe place to go. We think it is an important part of economic developments for this City. Again, I guess our staff recommendation would be that we authorize the project and cap the City's commitment and how bids come in, authorize the financing resolutions, authorize the staff to finalize the lease for the Board of Mayor and Aldermen's consideration and last but not least I guess we would be asking for some consideration as it relates to the procurement process and how we could go forward with the construction of this building. Is there a faster and better way to get it done? As we look at that we know the way the current procurement process is and we think there is so we may be asking for some relief in that regard and I think that is part of the process. We need to ask for relief from the Board. That is basically it. We would be happy to answer any questions or get answers for you if we can't answer them.

Alderman Wihby stated I have a couple of questions. Normally when we do a project like this we look at Finance and we say does it make sense, do the numbers and let us know how it goes. Looking at the sheet that says other options, that page that was up there with the \$1.5 million and the \$1.2 million and then trying to get out of the lease and buying them out, is the recommendation from Finance that this is the way to go because you have brought this forward?

Mr. Sherman replied it definitely would and I think again if you look at that and just take the \$1.5 million, that would have to go into debt structure just to make that building meet code, and meet all of your safety issues. It doesn't beautify it. It doesn't make it a destination spot and when you compare that to the cost that the City is going to put into this new facility it is still \$600,000.

Alderman Wihby asked the \$40,000 expense that you are assuming it is going to cost, wouldn't you take some of the expense that is there now and wouldn't that go towards that \$40,000 so it is really not \$40,000.

Mr. Sherman answered yes. We think that you will certainly get some operational expenses as well. Certainly if we are building a new structure you will get better heating and better circulation and those things. We tried to quantify some of that. It is just very difficult. Until you have a new facility and it is all specced out it is hard to say what you can and cannot save. It will be a larger building as well but administration will be smaller. The locker rooms will be smaller. It is just hard to tell what they will save versus what they are currently spending.

Alderman Wihby asked the lease now there is 19 years anyway so we are just going to 25 and they already have a lease anyway.

Mr. Sherman answered that is right.

Alderman Wihby stated I see where we have a problem there is the exposure with safety codes and other things that need to be done. We have talked about fixing up that building for a long time and we put off a lot of renovations on the roof and everything else that is there. In the long run, that is going to cost us a lot more money if we put that off any longer as far as safety codes and expense. We did the roof seven or eight years ago and it was a lot cheaper than it is going to be now. True?

Mr. Ludwig answered absolutely true.

Alderman Wihby stated the perception that is out there from some people is why do we want a restaurant in the first place or let it go out to open bid, why should we help them and those kind of things. The concern is we want to make sure that what is fair out there is that it is equivalent to what someone else would pay. They have a lease first of all so that is the first reason why we would talk to them first. Second of all, the gross of 5-7% is what you checked with the industry and it is a fair price that somebody would...

Mr. Sherman interjected yes and we have looked at it both ways. We looked at it on a square footage basis, which again is over \$10/square foot and that is before you even start adding in the percentages and then we have looked at it as a percentage of gross basis as well. Again, we think that actually the \$10 plus the percentage you are actually starting to get on the high end of restaurant space but when you look at it on the percentage of gross and you are in that 5-7% range, we think that that is again in the market.

Alderman Wihby asked when you talk about the percentage that first one through June 2005 that is really only for a year anyway. By the time they are paying in 2004 it changes in 2005.

Mr. Sherman answered it actually is two years assuming that we can get it open next year. It would actually be two years and that would give them an opportunity to do their fit up and have some dollars available out of the flow. You have to also understand that they are not capable right now of booking weddings for next year. They don't have the facility and nobody can look at it. The first couple of years are probably going to be slow anyway so that is why we put in that two-year phase in.

Alderman Lopez asked, Randy, can you tell me subject to the annual appropriation that you talked about if the Enterprise is making money are we saying...we are not saying that the Aldermen can turn around and say okay now the Enterprise has to pay for the \$500,000. Is it going to be on the City side? Can you explain that a little bit better so I understand?

Mr. Sherman answered yes and maybe Tom Arnold can help me here. I guess the way I understood it from the Solicitor was he didn't really think that the left hand could sign a contract with the right hand and get into actually having a lease agreement. Really what you would have is on an annual basis you would appropriate enough for Administration to pay to cover their share of the operations over there. Now I know it is dirty word but I will throw it out there, it is sort of like a chargeback that you do with the School Department. Parks & Recreation owns the ice rink and they own Gill Stadium. If the School wants to use them they pay a rental fee just like anybody else does. You would kind of have it that the Enterprise Fund would own the entire facility but dealing with the percentages that we come up with, how much is general fund and how much is Enterprise, they would be making that payment and that is where we came up with that \$500,000. Again, as I said if it is ever determined that the general fund isn't using the facility, again if you decide to move them to JFK or move them somewhere else, then you wouldn't be appropriating those funds. Now it would be the Enterprise o concern. It is their facility. It is their space. They could always lease it out to somebody else but the general fund wouldn't be paying it. Rather than getting into a 20 year written document, I guess the advice from the Solicitor would be that it be an annual appropriation.

Alderman Lopez asked but as the Board of Aldermen, if we see that the Enterprise system has the money...let's say that they increased fees and had enough money can I say this year we are not going to appropriate it and make a motion that the money be taken out of the Enterprise fund. Is there going to be something to protect them? I know you are saying that one hand can't do the other but it could happen.

Mr. Sherman answered I guess that question is better asked of Tom Arnold.

Alderman Lopez stated I am just trying to make sure that down the road we don't just tell Parks & Recreation now you have \$300,000 or \$400,000 in the Enterprise system so we are not going to pay for it, you pay for it. What kind of agreement can we make ourselves?

Deputy Solicitor Arnold replied I guess you put it right. It is an agreement you make with yourself. I guess the Enterprise fund is relying on this Board's good

faith to make that appropriation as any other City department does when they come to you for a yearly budget.

Alderman Lopez stated Ron you touched on it very lightly and I am sure if this project goes forward...I have had some calls from the golfers that if this proposed facility was successful they have concern that they won't have any place to park. That is all I will say about that. In addition to that, the golfers are also concerned...you touched lightly on it. You have approximately 1,000 square feet for the locker rooms but if you didn't build the locker rooms that is another area they have concern with as far as the ladies and everybody else as far as whether there would be locker rooms for them. That is another area that you alluded to maybe not including to bring the cost down. When you say that you are putting in 17% in Parks Enterprise, we are getting rent now so isn't that more than 17% if you include that rent that we are putting in. Could you explain that? You have \$433,000 in the Park Enterprise but you are really losing that \$24,000 a year. Is that included in the \$433,000?

Mr. Ludwig replied no it is not. We would actually be surrendering a little under \$24,000. The annual rent per month right now is about \$1,971. So, \$1,971 times 12. We would also be losing...there is no income. There is no revenue being generated. We look at that as an immediate loss as it relates to participating in payment of the project.

Alderman Lopez asked what is your bond capacity for something like that Randy.

Mr. Sherman asked how much would it cost.

Alderman Lopez answered his losing capacity.

Mr. Sherman stated what we did do is we got...the restaurant has a two-tier lease payment. They are paying their rent payment, they are paying their \$1.5 million plus they are paying the percentage. The percentage was hopefully to offset this \$24,000. What the \$24,000 in essence would pay if you want to do it on a debt service basis is probably close to \$300,000. It is in that range. Again, that is why we are still getting the percentage. The restaurant is paying their share of the debt service plus they are paying their percentage, which hopefully offsets the loss revenue that Parks was receiving.

Alderman Lopez asked so it is roughly \$700,000 that we are really investing right.

Mr. Sherman answered no. Again, that is where we are getting the percentage off of their gross to hopefully offset the \$24,000 that Ron would be losing from the

current agreement. All he is getting now is \$24,000. Now we are going to get the debt plus the percentage, which hopefully offsets the \$24,000.

Alderman Lopez stated we utilize the self-insured, is the other portion going to be insured by the lessee.

Mr. Sherman replied yes and again this might be a better question for Tom Arnold. My understanding is whenever we do lease a portion of a City facility they would be required to carry their own insurance and list the City as...

Deputy Solicitor Arnold interjected yes.

Alderman Lopez asked, Ron, do we still have control of the pro-shop and all of that.

Mr. Ludwig answered yes.

Alderman Smith asked in regards to the safety issues, I have a copy here dated February 28, 1999 from Deputy Chief Albin. Were those problems addressed? I know I am disabled and I can't get up to the function room. I know that is deplorable. Have these problems been addressed or just tolerated?

Mr. Ludwig answered you are partially right. The Fire Department has been great with us. They have made recommendations on how we can do things to make the place a little safer. They asked us not to store any pieces of small equipment for long periods of time in the basement, which we have since moved out to the storage facility that we have. We did ask them for some relief to be able to work underneath on a piece of equipment. They said work on it and get it out of here. They would not require it at this point but they would like to see a plan in place saying that we are working towards the installation of fire suppression. They said typically that is the way they work with every City business that is old or building that is old. As long as you have a plan and you are working on it and you are trying to show good faith as it relates to accomplishing it, they wouldn't shut us down.

Alderman Smith asked the staff recommends this, right and what is the position of Finance.

Mr. Sherman answered we recommend it as well.

Alderman Gatsas asked, Ron, what is the negative impact of Gill Stadium to your bottom line. In other words what does it cost...that is in the Enterprise fund and what is the total cost on a yearly basis for Gill Stadium roughly?

Mr. Ludwig asked that is charged back to the School District.

Alderman Gatsas answered excluding the chargeback to the School District.

Mr. Ludwig stated well we charge off about 90% of Gill Stadium currently to the School District, operational costs. It is about \$300,000 or maybe a little under.

Alderman Gatsas asked that is what we chargeback.

Mr. Ludwig answered correct.

Alderman Gatsas asked so the actual cost is somewhere around \$330,000.

Mr. Ludwig answered a little bit more.

Alderman Gatsas asked so if we took Gill Stadium out of the Enterprise fund and let it be self-sufficient to the City because that is the way it should be, that would give you about the \$40,000 you are looking for in the Enterprise fund to carry this deal forward so it doesn't cost the City any obligation from our side.

Mr. Ludwig answered you are still going to have to fund Gill Stadium somehow.

Alderman Gatsas stated but it is still a negative situation and shouldn't be part of the Enterprise fund. Just because we are charging it back to Schools doesn't mean it is a facility that is making money.

Mr. Ludwig replied again that is a decision of this Board. I could stand by it either way. All I would ask for is that we in the Enterprise have made some expenditures...for instance last year at the spur of the moment the hot water tank that we had installed in 1985...I guess it is planned obsolescence, the bottoms came out of all of them at the same time. Under the general fund I would have had to come back and ask you people for \$24,000 to get them replaced. We paid for that out of the Enterprise. We have made significant capital improvements, which I have a list of here, to Gill Stadium out of the Enterprise. However, in a time of need this Board has been very gracious as it relates to building the Central locker rooms, installing pigeon netting and other things. We have also been aggressive in seeking ADA funds as it relates to making the facility handicap accessible. I think it is a combination of all of the things that are making Gill work right now. I wouldn't sit here and debate you as to whether it should or shouldn't be in the Enterprise but I think as long as this Board is going to say that we want to fund Gill to a level that it should be, which in some cases over the years it hasn't been, that is...I wouldn't debate you on that.

Alderman Gatsas stated I guess my point is this. My point is that the funding that is produced by the golf course because that is a revenue generating facility is subsidizing some of Gill Stadium.

Mr. Ludwig replied you are exactly right.

Alderman Gatsas stated so if we took Gill Stadium out of your Enterprise because right now you are looking for the City to commit to \$40,000 a year...

Mr. Ludwig interjected but the golf course is subsidizing all of the facilities in the Recreation Enterprise, not just Gill.

Alderman Gatsas responded I understand that but I am saying that Gill Stadium is the drain on the whole system. JFK...I don't know if it is producing...

Mr. Ludwig interjected it is a lesser drain, but still a drain. It may be 70% self-sufficient. Maybe.

Alderman Gatsas stated I think what I am attempting to do is pull something out of the Enterprise fund that allows you to do it and the Board doesn't have to be committed to the \$40,000 then it is a carry forward from the Enterprise fund.

Mr. Ludwig replied where would we get the \$40,000. Maybe I am missing the point here.

Alderman Gatsas stated well obviously you are taking \$40,000 of gross receipts from the golf course to pay the rest of Gill Stadium. Gill Stadium is only producing \$300,000 on a chargeback.

Mr. Ludwig responded I would like the opportunity to go back and calculate what that is because I do know and I have a list with me here of capital improvements over the last three of our years that the Enterprise has made in Gill and we have done that willingly knowing that we are supposed to try and keep the place in good shape. Yes, you may make a very good point. I am not sure.

Chairman O'Neil stated may I suggest, Alderman Gatsas, that this is going to be a process that goes on for at least another month and it probably needs to be referred to another Committee for the lease, probably to Lands & Buildings and I think before we can give a green light on moving forward the lease has to be worked out. They have agreed on some general things but I think we have to get to the point where both sides can sign. In that same timeframe we can look at this Enterprise issue. My understanding is that the golf course subsidizes Gill



Stadium, it subsidized the pools until those were pulled out. It was my belief that generally speaking and I have never heard that the two ice rinks only pay 70%. I was always led to believe that they were covering their costs and as long as we had snow that McIntyre covered its costs as well. Maybe we can just take a look at this whole Enterprise system again. It hasn't worked with regard...I guess in some ways it has worked with Gill Stadium and in other ways it hasn't but if that is okay with you we can work on that in the next month or so.

Alderman Wihby stated I guess I take the other stand. I would hope that it would stay in the Enterprise fund because at least we have some money going to these facilities. When it was general funded we sat there and the first thing we would cut would be Gill Stadium and everything else. At least this way you are assuring that there is money being spent from the Enterprise fund. I know that all of the facilities are supposed to be self-sufficient but as long as the fund is taking care of some of the problems...we probably wouldn't be funding as much as we would and some of these facilities would be in worse condition. I think it is just taking it out of one pocket and putting it in the other by changing the Enterprise fund but I would hope that it would stay because I think there is more money being spent on the facility. The other thing is if it is in the Enterprise fund what we are seeing here is it is not counting towards our bonded debt so if you wanted to fix up Gill Stadium could you then do the same thing with a bond for Gill Stadium where it wouldn't go towards our debt service or towards the general debt?

Mr. Sherman responded right. If you issued debt service to do Gill Stadium it would be under the Enterprise and wouldn't fall under your cap.

Alderman Wihby asked so why would we want to take it out of there.

Mr. Sherman answered I think the point that Alderman Gatsas is making addresses Alderman Lopez's concern. If you pull that \$40,000 out now you don't have the issue every year of whether it is going to get funded or not. It is now in the Enterprise fund and you are going to operate Gill Stadium as you always had in the past before it became an Enterprise. That would take care of the concern of an annual appropriation. You are right. You do have the debt service and you do have the ability to take care of those things as Ron said. We are certainly willing to go back and look at it. A few years ago as Alderman O'Neil mentioned we pulled the pools out because they were such a drain. We can go back and take a look at that.

Alderman Lopez stated I can tell you that I was against the Enterprise system when it was first brought forward but from experience without the Enterprise system we would go back to the old way and Parks wouldn't get any money from the general fund to do anything. They have been very successful. Gill Stadium is

an issue. Alderman Wihby mentioned the bonding. I don't know how much bonding you are paying out of the Enterprise for Gill Stadium but I am sure you will get that information back to us. If you have to take all of those bonds over that is another issue. I can tell you from experience being on the Parks Commission we couldn't do anything for many, many years because the Board of Mayor and Aldermen wouldn't put a new roof on the West Side Arena and stuff like that. In looking at it the only one I would suggest is Gill Stadium that we take another good look at. It is the bonding and debt capacity that you have already done.

Mr. Ludwig stated before we became an Enterprise from my memory I believe the first phase of new lights at the ballpark was about \$100,000 and that involved getting in a new service entrance from Valley Street and two light poles in front. We picked up the additional, which was quite a hit. We picked up about \$264,000 in bonding the rest of the lights to complete the project. I don't believe as far as bonding that we have a huge commitment beyond that \$264,000 for the completion of the lighting project but I can tell you that we have tried to step up to issues such as water tanks and things like that and paid for it willingly. I think what the Aldermen are saying is if you are paying that money out of there and you should be out of the Enterprise for some of those capital improvements but not bondable improvements wouldn't it be better if the Enterprise didn't have Gill Stadium and you took that money and paid the \$40,000 off. Is that what you are saying? If it just happened to be that we put \$40,000 a year into Gill for capital improvements then you wouldn't have to anymore because the Aldermen would be picking up on the general side of the City budget Gill Stadium. It doesn't matter to me. I will come back and ask for...nobody wants Gill Stadium to look better than I. I am not bashful. I will come back and ask you for exactly what we think it needs. I think that is a Board decision.

Alderman Wihby stated I think it does matter though if we are going to bond Gill Stadium. We are talking about spending \$1 million there for grass. If you are going to bond that, why would you want to stick it on the City's debt?

Mr. Ludwig replied at that point, Alderman, I would be here suggesting that...assuming that you wanted to put \$1 million into artificial turf at Gill Stadium I wouldn't be here suggesting that the Enterprise could afford to pay for that any more than they would the \$130,000 that we put into Central locker rooms. I wasn't here asking for \$130,000 for the locker rooms because the Enterprise couldn't afford to pay for them. They needed them desperately. They were leaking and they were awful and we were very happy to see the Board step up and say we will do this.

Alderman Wihby asked but Randy wouldn't it be better for us if we were going to bond \$1 million wouldn't it be better for us to leave it in the Enterprise fund.

Mr. Sherman stated if you leave it in the Enterprise fund it won't compete against other projects. Now do we maybe need to look at what the Enterprise fund can afford because I can understand Ron's position.

Alderman Wihby asked why can't we just do the same thing. Lease it back and not let it count towards our debt.

Mr. Sherman answered if you think about it you are putting \$1 million into Gill Stadium. 90% of it goes to the School Department and you appropriate to the School Department, therefore, Ron is getting his payment back from the School Department. Now on his current rate structure he can't afford it but if you think about how the chargeback system works, you are appropriating it anyway out of the general fund. So it does get there but it doesn't hit your debt capacity.

Chairman O'Neil stated it doesn't relate to the golf course but it is a good topic for a future meeting talking about Gill Stadium. It is going to be on the radar screen I am sure. I would encourage you to look at and I think I did mention this to you, Ron, the maintenance facility somewhere over in the same vicinity of your current garage and the Fire Department garage on Bridge Street Extension so that we don't have this kind of eyesore out in the middle as you come around that curve at Nyberg Lane or Bridge Street Extension. I would encourage a meeting with the neighbors. I don't know if that is only Ward 4 out there. I don't what other Aldermen are involved in the area. Do you know, Randy, you mentioned something about the restaurant would pay somewhere around \$10/square foot and that was consistent with other restaurants?

Mr. Sherman answered the \$10/square foot is just based on the debt service on that \$1.5 million. So, we start at the \$10 and again that is going to fluctuate depending on where our final interest rates are when we sell the debt but then we tack on a percentage of gross on top of that.

Chairman O'Neil asked do we know general square foot numbers for office or retail space.

Mr. Sherman answered I don't know.

Chairman O'Neil asked is that something you could get me. I don't know if the rest of the Committee would want that but maybe you could get it through Jay.

Mr. Sherman answered yes I can get that.

Chairman O'Neil asked, Ron, can we guarantee the golfers that they will not see increases in annual memberships to subsidize any of this.

Mr. Ludwig answered again any increases that we have had have been based on the needs of the overall Enterprise and we did not assign any additional costs to golf going forward as a result of the construction of this building but I will not sit here and say that you will not see an increase in golf fees. I worked very hard this year to try and say...it wasn't an across the board percentage increase that we gave golfers this year. It was out-of-towners might pay a little more and juniors and seniors might pay a little less but we are very sensitive to try to work with all the groups.

Chairman O'Neil asked is there a scheduled increase.

Mr. Ludwig asked at this point for golf next year. No, there isn't.

Chairman O'Neil stated I think that is very important because that is some of the complaints I heard. Some golfers don't care about the restaurant or the locker room. They just want to go up there and play golf and they want to make sure that they are not going to be paying for this new building. I think it has to be clear to them that any increases have nothing to do with this new building.

Mr. Ludwig replied I could answer that. Quite frankly we have some engineering and we have actually construction going out now to irrigate the five holes on the west side of the golf course this fall. That will probably go at a cost of \$200,000 or so. Those kinds of improvements...we have made more improvements to the golf course than the clubhouse.

Chairman O'Neil stated as we get into finalizing this it may be good to separate that out and at least have some record here about if there are fee increases that is what they are going for – improvements to the golf course. I would suggest that you come back with that. I know I mentioned to you...I think the golf pro has a steal up there. Have you approached him about contributing towards this at all?

Mr. Ludwig replied again we have been with several golf pros over the years. We have been around and around. He has a three-year agreement and I believe Mike Ryan has one year left on the current agreement. We have looked at several different ways to create a package for a golf professional at Derryfield. Some of the problems that we run into is that in all cases we don't have a lot to offer and if you look at golf course packages traditionally, whether they be at Beaver Meadow in Concord or anyplace, they are all made up a little bit different. Some people create a golf package by giving the person a stipend of X amount of dollars to

begin with. They give them exclusive use of the driving range to teach lessons and rent balls, which we don't have at Derryfield. They actually may give him a concession area with a place to sell Coca-Cola, Pepsi, chips or something like that. Other pros are paid a straight forward salary but when you get into those kinds of arrangements with golf professionals and you are going to pay them a straight forward salary, which is something that we definitely considered before...by the way the golf pro would be happy to get a straight forward salary, that would allow us to pay for all the carts. Now we would have to buy into maintenance of the carts and a lease agreement with the carts, kids to manage the carts and golf course rangers, which is something he pays for exclusively out of his proceeds from the carts. So when we have looked at this over the years significantly, what he gets from golf course golf carts is his only really source of revenue. He has very limited ability to teach at Derryfield because there is no space.

Chairman O'Neil stated but have you asked the current pro about leasing space for a new shop.

Mr. Ludwig answered I think we would be asking him to lease space to run our business.

Chairman O'Neil asked how is it our business if he collects all the revenues from it.

Mr. Ludwig answered well everyday when I as a member go in there I give him a number and he has to track the number and he runs our computer.

Chairman O'Neil asked do we see anything from the golf cart rentals.

Mr. Ludwig answered no. That is how he pays for everything.

Chairman O'Neil asked do we see anything from the sales of his golf clubs, balls, and clothing.

Mr. Ludwig answered no that is part of his package.

Chairman O'Neil asked so why wouldn't he pay some money towards the lease for the space to do those things.

Mr. Ludwig answered in our opinion we have had to provide a space for the golf pro to be able to sell the green fees, which is City business, that is how we generate revenue and to do business. He is there basically to service our golfers. The golfers that go through the pro shop, our members, count on him to run tournaments, to track their credit book and to do all those kinds of things. Now if

you are saying that you think his overall package, whatever it is right now based on the golf cart money that he collects and that his expenses that go out is too high, that could be an issue, Alderman.

Chairman O'Neil stated I don't understand how the restaurant is going to pay 62% of the space and the golf pro pays nothing. 1%. I am not saying I have the right number. I am just saying why doesn't he pay something.

Mr. Ludwig replied the golf professional is there to service the golfers exclusively, be it seniors, juniors, members, non-members or whoever they are on behalf of the City. You don't have to go and play golf to go to the restaurant.

Chairman O'Neil stated you don't have to play golf to go in and buy something either.

Mr. Ludwig replied that is true.

Chairman O'Neil asked could you just do a survey of public courses in New Hampshire to see if any of them lease the space to the golf pro.

Mr. Ludwig answered I can do that.

Chairman O'Neil stated I just think he is getting 2,000 square feet of space he should get something for that.

Mr. Ludwig replied again, these are conceptual numbers. His number right now is at 1,200 square feet. When we get done with how the basement level is going to look as it relates to...maybe we are not going to have lockers but as Alderman Lopez indicated maybe some women might like a little sitting room...if we have to carve out a space for that sitting room and take away from the golf professional shop we may certainly do that. We actually had discussed can the pro be a player and offset any of this. My opinion was that if we want...the golf pro may say give me the corner upper level and I will create a golf day up there for myself with a far better presence where I think I can do better business and he very much may have an interest in paying for that retail space but we are shoving him in the basement to conduct City business. I can certainly approach him and I would be happy to do that. I will pull several golf packages for golf professionals at different clubs – private, semi-private, public and whatever.

Chairman O'Neil stated I would like municipal. I really don't care about private.

Mr. Ludwig replied you are only going to get one.

Chairman O'Neil asked there is only one municipal course in New Hampshire.

Mr. Ludwig answered yes Beaver Meadow.

Chairman O'Neil stated well get other municipal courses around then.

Mr. Ludwig replied I am not sure where there are any.

Alderman Gatsas asked isn't Nashua municipal.

Mr. Ludwig answered no.

Chairman O'Neil stated there must be municipal courses in Northern Massachusetts or in Maine.

Mr. Ludwig replied there may be but they are difficult comparisons. I will get them for you if that is what you want.

Chairman O'Neil asked what is the timeframe on this. Six month construction period so in order to be open by May 1 you would have to be in the ground by December 1 or November 1 and we are shooting for April 1.

Mr. Ludwig answered I think we are later.

Chairman O'Neil stated I know there has been some discussion about our outdated procurement code and I see discussion about design-build. Are you recommending that the City does it or through some vote of the Board we allow the private side to do it?

Mr. Lanoie stated we would like to be involved in it.

Chairman O'Neil asked do you have a recommendation on that tonight or is that something you could come back with.

Mr. Ludwig stated I think it would be beneficial for the City to control the project. Certainly we feel between the two of us and I would also like to suggested...I know Tim Clougherty is busy but involving him a little bit. He seems to have gotten into some of these projects in construction management a little bit and we may ask him to spend a little time with us as well. It may not be a bad idea in my opinion. Certainly we feel that we have enough background in construction to be reasonably certain that the City will get a quality building with quality people.

Chairman O'Neil replied it has nothing to do with that. It all has to do with the timeline.

Mr. Ludwig stated we talked about timelines several months ago. I think that in my opinion to be open April 1 is going to be a struggle. I don't see that happening.

Chairman O'Neil stated well then we may want to look at, which I am pretty sure we have done in some unique situations we have allowed the private side to do it. I think we did the Bond building that way.

Mr. Ludwig replied I am not familiar with that.

Chairman O'Neil asked could we take a look at that.

Mr. Ludwig asked who would we go to.

Chairman O'Neil stated Planning and the Solicitor may have been involved in this. I think it speeds up the procurement process.

Mr. Ludwig replied that would be helpful.

Chairman O'Neil stated I don't want to beat on this Enterprise thing but what things are not going to get done in the Enterprise and in the general fund because of this project.

Mr. Ludwig asked what isn't going to get done in the Enterprise.

Chairman O'Neil answered four months ago we heard that there was no money in the Enterprise to put up the pigeon netting at Gill Stadium.

Mr. Ludwig replied I don't believe that I ever made that statement.

Chairman O'Neil responded well you said it, Ron. You said there was no money to pay for it and it had to come out of the general fund.

Mr. Ludwig stated I think it was difficult to recommend a payment of that sort. For instance, I recommended that the School District pay off a bond debt when we went to them with our projected number back during the budget process of \$300,000 and basically they told me to go away. They weren't interested in paying for repair of any decking at Gill Stadium to the tune of bonding \$300,000 so I had to go away. It was difficult for me to say based on the revenue projections at Gill Stadium, which there are none because we are only collecting



operational dollars as a chargeback from the School District, that we could go out and bond \$300,000 worth of decking or \$60,000 worth of pigeon netting. I think that what I said before to the Aldermen unless I made a mistake was that certainly when the Aldermen say they can step to the plate and fund certain projects, i.e. the locker rooms or the pigeon netting, that was a help to the Enterprise. We put significant dollars into McIntyre last year in the hopes of recouping or dollars on tubing, which we are hoping can bring in in excess of \$200,000 a season. If I had that same option at Gill I would be looking at it the same way.

Chairman O'Neil asked so regular work in the Enterprise system will get done at Gill, at the hockey arenas and at McIntyre. There will be no deferred work because of this project.

Mr. Ludwig replied we have tried to the best of our ability in the Enterprise to spread the little bit of wealth that we take in to all of the facilities. We haven't favored the golf course with Enterprise dollars. We haven't favored necessarily the West Side arena or JFK. If you look back at our projects and the way we have done them I think you would see that slowly but surely each one of our facilities is coming up to par a little better. To answer your question about Gill, have we been overly excited to spend significant Enterprise dollars on a facility that doesn't allow us to generate any revenue? No we haven't but we have stepped to the plate, no pun intended, and made significant capital improvements that we may not have received from the general fund. That is all I can say. No, we will not be deferring...we need a roof at the West Side arena, we need a low ceiling. We are working with Finance and Tina and looking at methods of trying to get new lights at the West Side Arena. We have no intention of deferring any maintenance until Finance tells us we are broke.

Chairman O'Neil asked can we get a list of just what you have identified to date of Enterprise projects to be done next year and the year after.

Mr. Ludwig answered absolutely.

Chairman O'Neil asked is the 3,400 square feet for the deck included in the 11,000 number.

Mr. Ludwig answered no.

Chairman O'Neil asked shouldn't it be.

Mr. Lanoie asked in terms of what. I think we are looking at 11,000 but we are talking 10,000 for the entire top floor but we haven't really broken out yet what is going to be common space. That main entryway is going to access not only just

the restaurant and function room but is going to be the main entrance for the pro-shop, Parks & Recreation, etc.

Chairman O'Neil stated I just encourage you to look at that. That is a revenue source, let's be honest about it.

Mr. Lanoie asked what.

Chairman O'Neil answered the deck.

Mr. Lanoie stated we didn't approach this by looking at square footage. Our original approach was how much is this project going to cost and approximately how much of it is going to be used by the restaurant and we based our proposal on that along with the fact that we are using probably 67% of that building – 2/3 of that building. I think when you take the 61% that we are offering to pay on this, that also includes the maintenance facility, which is a completely separate building. If you take out the maintenance facility, 61.9% goes up to really 70% of the existing building, what we are paying and tack on to that, Alderman, the 1.5% over \$1 million and the 2% over \$1.6 million. As we said in year two or three once we can get the function facility going there should be significant dollars that we are paying above and beyond. It is hard to actually say exactly what the percentage of gross sales will be until we know what the gross sales actually are. We can only go by what we are currently doing.

Chairman O'Neil asked the architect who did this work is not necessarily the one selected to do the project right. This conceptual stuff may change?

Mr. Ludwig answered yes.

Alderman Wihby stated I guess I have to go back to that options page. If you look at the options that we have and the exposure that we have, this makes the most sense because of the fact that you would have to do those renovations...let's say we have to fix a roof. The roof caves in and it is \$300,000. You would have to do it, right Ron, so you would be taking it out of the Enterprise fund. Then the Enterprise fund is down on something that you weren't counting on and then wouldn't you look at raising golfing fees.

Mr. Ludwig replied I would have to.

Alderman Wihby stated I don't want to get you in a position where six months from now you raise the fees due to something else and someone says you weren't going to raise the fees. You are not raising them because of the restaurant but there is still the option that you are going to have to raise it and if you are picking

these items and we had some exposure you would be raising the fees on them anyway right?

Mr. Ludwig answered yes.

Alderman Wihby stated so at least in this sense we know what it is going to cost us. It is going to be a brand-new building and we know what it is going to cost from year to year and we don't have to worry about something breaking or falling apart and costing you \$200,000, \$300,000 or \$400,000 in one whack because you don't have the money.

Alderman Smith stated I think we have a slight problem with the problems that Alderman Lopez brought up. How many parking spaces are up there now, Ron? Do you know off-hand?

Mr. Ludwig replied off the top of my head I don't but I can use myself as an example. On a Saturday morning if you get there after 9 AM it is difficult to park and you may be looking at parking across the street from the fire station. We have significant work to do to make absolutely certain that golfers are not displaced by a wedding or something else. We are going to have to hammer this out. We think with the demolition of this building and relocating the new building we are going to gain I think upwards of 50 or 60 parking spaces. Whether that is going to be enough or not to accommodate both factions I am not positive.

Alderman Smith stated the restaurant performs a good service for the golfers. There is no question about it. If they are willing to put up the money they should see some benefits. We are going to get a top-notch building with nice offices for Parks & Recreation and I can see a lot of win-win situations. The only thing is that I would ask you to try and address parking the next time so we can have the golfers somewhat pacified. I know I have had the same comments from people up there.

Alderman Lopez stated I just want to make one comment since I was on the Commission when we hired Mike up there. The pro that we have today is better than any pro that has been up there in 20 years. As you look through and get the information that the Chairman requested you to get...I know when we negotiated with the pro he wanted some of the fees that he collected for the City and if you charge him for the space he is going to want some of that fee in order to pay for that space so we are going to lose all the way around. As you get that information, it might be a good idea to have the existing contract since it is going to be up in a year to show the Aldermen what it is. This gentleman is a true pro and he has to make a living too. He is doing, as you indicated Ron, a lot of work that we would have to do and that is part of the business of being the pro at Derryfield.

Alderman Gatsas stated the funding allocation that I am looking at here, the \$1.5 and the \$500,000 and the \$433,000, would it be possible to take that \$500,000 and produce some sort of naming rights for the City that would offset that debt and that would take care of the \$40,000 that you are looking for.

Mr. Sherman answered sure. I don't see why not. You want to change the name of the golf course.

Alderman Gatsas stated I think if someone wanted to pay \$500,000 and wanted to change the name of the golf course maybe that is something the City would entertain. I think it is an opportunity. Obviously if you are going to build a state-of-the-art facility maybe there is somebody out there that if you took this over a 25 year basis or 20 year basis and said it is \$25,000 a year for naming rights you may find somebody who is interested in doing that. That eliminates the entire debt.

Chairman O'Neil stated my understanding from discussion with the Clerk and the Solicitor is that the lease really needs to be negotiated and Committee-wise that is the responsibility of the Lands and Buildings Committee. We would need a motion to refer the lease portion of this to Lands and Buildings. We have asked for some information and they can report back to us on that and we can move parallel.

Mr. Ludwig asked can I go over in my notes here what I am supposed to be coming back here with. One was the location of the existing maintenance building.

Chairman O'Neil replied I would suggest you get a neighborhood meeting as soon as possible.

Mr. Ludwig stated second I think was private versus public construction.

Chairman O'Neil replied correct. The procurement process.

Mr. Ludwig stated the other one is should there be a fee for an additional deck area.

Chairman O'Neil replied I think that is going to come up in your discussion on the lease. They do make money on the deck and it should somehow figure in. In the end we could say that is part of the 62% but I just think you need to have that discussion.

Mr. Ludwig stated and finally a list of our proposed Enterprise project for the next year or two.

Chairman O'Neil responded right. You were also going to get back...I am the one that asked specifically about the pro arrangements at some other golf courses.

Alderman Wihby asked, Randy, are you fine with the motion. Does that get you guys far enough to keep working on the lease and send it to Lands and Buildings?

Mr. Sherman answered yes. I guess you are going to make a Committee report to the full Board that will then refer it to Lands and Buildings.

Chairman O'Neil responded my understanding is that we can just send it to Lands and Buildings.

Mr. Sherman stated well that is all the better. Then we can start hammering out the lease.

Chairman O'Neil stated I think there might have to be one more vote here once the lease is all put together and the procurement process is determined, etc. We can keep this moving as quickly as you folks are moving with it.

Alderman Gatsas stated I would suggest that maybe the tenants try to find a benevolent family that may want to name it. It may assist you in getting the project done a lot quicker.

Alderman Smith moved to refer the Derryfield Restaurant lease for the proposed new Derryfield Country Club facility to the Committee on Lands and Buildings with a report back to the full Board. Alderman Wihby duly seconded the motion.

Chairman O'Neil called for a vote. There being none opposed, the motion carried.

Alderman Lopez stated the naming rights idea is not a bad one. I have to agree with that. If somebody is out there and they want to come up with \$500,000 maybe we should publicize a little bit.

Chairman O'Neil asked how would we go about that. There would have to be a public way of doing it, correct?

Mr. Clougherty stated we can investigate it and report back to the Committee. We will have to go through a process and get back to you. We will talk to the Solicitor about it. We will follow-up on it. It is a good idea.

**NEW BUSINESS**

Valley Cemetery Master Plan --  
Land and Community Heritage Investment Program (LCHIP) Grant

On motion of Alderman Smith, duly seconded by Alderman Lopez, it was voted to accept the resolution and budget authorization to increase CIP 810002, Valley Cemetery Master Plan by \$10,000 (matching grant from the Land and Community Heritage Investment Program).

**(Note: On August 14, Ron Johnson from P&R called to inform the Clerk's Office that the Land and Community Heritage Investment Program Board did not approve the grant offer of \$10,000.)**

There being no further business to come before the Committee, on motion of Alderman Smith, duly seconded by Alderman Lopez, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee